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Project: **IP-105**

OFFICE OF REPORTS AND ESTIMATES

Project Initiation Memorandum

Date: **17 April 1990**

To: **D/EE**

From: Publications Division, Projects Planning

Subject: **Soviet purchases of tin and wool**

Statement of Project:

Origin: **Internal (K-1506)**

Problem: **To furnish information on actual purchases of tin and wool by USSR.**

Scope: **Information requested includes: (a) quantities (b) parties (c) price, manner, kind of payment (d) method of handling transaction**

Reference is made to SO 37383. It is particularly desired that the above information be supplied on the tin transactions

Graphics (if any): **mentioned therein.**

Form: **Memorandum (orig & 2)**

Draft due in D/Pub: **26 April possible**

Responsible Division: **D/EE**

Dissemination deadline
(if any)

Internal Coordination: **D/EE**

Departmental Responsibilities: **None**

Classification to be no higher than: **Secret**

Recommended Dissemination: **Requester only**

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Secret

Copies: D/EE (3)

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OFFICE OF PERSONNEL AND STATISTICS

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Subject: IP-105

OFFICE OF PERSONNEL AND STATISTICS

Project: Information Management

Date: 17 April 1950

D/EE

From: Publications Division, Projects Planning

Subject: Soviet purchases of tin and wool

Statement of Project:

Source: Internal (K-1506)

Objective: To furnish information on actual tin and wool by USSR

purchases of

Information requested includes:

- (a) quantities
- (b) price, manner, kind of payment
- (c) parties
- (d) method of handling transaction

Reference is made to SO 37285. It is particularly desired that the above information be supplied on the tin transactions mentioned therein.

Product: Internal

Form: Memorandum (orig + 2)

Time due to R/T: 26 April possible

Classification: D/EE

Internal Distribution: D/EEc

Experimental Responsibilities: None

Classification to be no release then: Secret

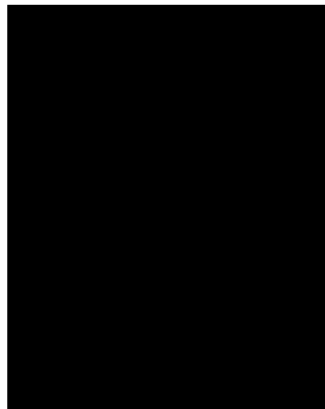
Recommended Designations: Requester only

1. USSR - Foreign trade

2. Tin

3. Wool

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SECRET

14 April 1950

MEMORANDUM FOR: D/Pub, ORE

ATTENTION : Mr. [REDACTED] 25X1A

SUBJECT : Request for Information

REFERENCE : SO 37385* Subject: Soviet Purchases of
Tin and Wool

1. It is requested that this office be furnished any information concerning any actual instances of purchases, particularly purchases of tin, mentioned in reference report, which will set forth:

a. The amount of materials so purchased, the price paid, and the manner and kind of payment.

b. The parties to such transactions.

c. The manner of handling such transactions.

2. We would appreciate a reply by 19 April 1950.

25X1A 3. Mr. [REDACTED] of this office is familiar with this request and may be called upon for further information if necessary.

25X1A

[REDACTED]

Acting Chief, Intelligence Support

REFERENCE: Case #K-1506

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Note: The classification of this memorandum must be raised to conform to the classification of the draft it covers.

Date 26 APR 50

MEMORANDUM FOR CHIEF, PUBLICATIONS DIVISION

SUBJECT: Transmission of Draft Report

ENCLOSURE: IP-105 SOVIET PURCHASES OF
TIN & WOOL (3 copies)

1. Enclosure is forwarded herewith for review and, if required, for formal coordination with the departmental intelligence organizations.

2. This draft report has been coordinated informally with the organizations checked below:

Within CIA:

D/GI	<input type="checkbox"/>	D/NO	<input type="checkbox"/>
D/In	<input type="checkbox"/>	D/LA	<input type="checkbox"/>
D/Tr	<input type="checkbox"/>	D/WE	<input type="checkbox"/>
D/EE	<input type="checkbox"/>	D/Ma	<input type="checkbox"/>
D/FE	<input type="checkbox"/>	D/EC	<input type="checkbox"/>
D/NE	<input type="checkbox"/>	Other	<input type="checkbox"/>

Outside CIA:

State (OIR)	<input type="checkbox"/>
Army (ID/GSUSA)	<input type="checkbox"/>
Navy (ONI)	<input type="checkbox"/>
Air (AID)	<input type="checkbox"/>
Other	<input type="checkbox"/>

3. Maps and/or Graphics to be included in this report and arrangements completed for their production by the Map Division or the Presentation Staff are as follows:

4. Comments:

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D/EE
Division

ROUTING AND RECORD SHEET

INSTRUCTIONS: Officer designations should be used in the "To" column. Under each comment a line should be drawn across sheet and each comment numbered to correspond with the number in the "To" column. Each officer should initial (Check mark insufficient) before further routing. This Record and Routing Sheet should be returned to Registry.

FROM: <div style="text-align: center; margin-top: 10px;"> ISB 14 April 1950 </div>	NO. <hr/> DATE <hr/>
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TO	ROOM NO.	DATE		OFFICER'S INITIALS	COMMENTS
		REC'D	FWD'D		
1. 25X1A D/Pub. ORE Mr. [REDACTED]	2318 "M"				Collected by D/EE 17 Apr 50
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IP-105 : Soviet Purchases of Tin and Wool

26 April 1950

I. TIN

Information on Soviet purchases of tin is much more tenuous than on that of wool. In the case of the former, the sources are many, including black market channels, and are very difficult to trace; sources for the latter are few and comparatively easy to trace. There is little definite information available on tin, as to the amounts, parties, prices or methods of handling transactions. There is no available information concerning completed Soviet tin purchases abroad in the first part of 1950.

The USSR needs 5,000 to 7,000 tons of tin over that which it produces. This is the only available information on these items. Black market and other contraband channels, which are hard to trace, probably provide much additional tin.

The Soviet Union succeeded in obtaining 650 tons of babbitt from the Netherlands in 1949, valued at 3,709,000 guilders (\$1,394,300). The USSR is apparently interested in obtaining several thousand tons of tin from the Netherlands during 1950, but so far has been offered only 200 to 300 tons, mainly because of Dutch uncertainty concerning continued control of Indonesian tin. The Netherlands is reportedly willing to allow the Soviet Union 500 to 1,000 tons when final negotiations take place.

Belgium is reportedly willing to supply the Soviet Union with 1,500 tons of tin.

Italy granted export licenses in 1949 to the Soviet Commercial Representative in Rome for rolled tin plate up to the value of 30,000,000 lire (\$52,174).

Soviet purchases of tin in the Far East are reported to have amounted to approximately 1,200 metric tons in 1949, mostly early in the year. It is estimated that 600 tons came from Macao, 300 tons (as unmanifested cargo) from Hong Kong and

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and 300 tons from Shanghai

II. WOOL

USSR purchases of wool in 1949 totalled approximately 70 million pounds as compared to about 72 million pounds in 1948. There has been no evidence of Soviet purchases so far in 1950 spring sales. If the USSR intends to keep 1950 imports at about the 1948 and 1949 levels, heavy purchases will have to be made in the fall of 1950, after the July-August wool clip.

USSR Wool Purchases (in pounds)

<u>Source</u>	<u>1948</u>	<u>1949</u>
Australia	33,353,000	33,498,000
New Zealand	24,000,000	21,521,000
Afghanistan	<u>14,550,000</u>	<u>14,550,000</u>
Total	71,903,000	69,569,000

In addition, the Soviet Union was scheduled to receive wool rags from Sweden under its 1949 trade agreement with that country. The Swedish commitment to supply wool rags under the agreement amounted to two million kroner, or more than half a million dollars.

The type of wool the USSR prefers and is reportedly buying in Australia and New Zealand is "64's" or better. This is a fine type wool used in the manufacture of wearing apparel. Prices paid are based on world market demand, and an average for "64's," cleaned basis, is \$1.82 a pound; grease basis is approximately one-half this price. Most wool is sold on a grease basis.

It would appear then that the USSR expended about \$50 million for the 1949 purchases from Australia and New Zealand as compared to \$52 million in 1948.

It is assumed that Soviet foreign trade representatives purchased the above quantities at auction - the usual practice in Australia and New Zealand. There

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is no information as to manner and kind of payment, but it is assumed payment was made in sterling. Shipments were on Soviet vessels.

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